



**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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April 8, 2009

TO: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

FROM: Wendy L. Watanabe
Auditor-Controller

SUBJECT: **PENNY LANE FOSTER FAMILY AGENCY CONTRACT REVIEW - A
DEPARTMENT OF CHILDREN AND FAMILY SERVICES PROVIDER**

We have completed a contract compliance review of Penny Lane Foster Family Agency (Penny Lane or Agency), a Department of Children and Family Services (DCFS) provider.

Background

DCFS contracts with Penny Lane, a private non-profit community-based organization to recruit, train and certify foster care parents for the supervision of children DCFS places in foster care. Once the Agency places a child, it is required to monitor the placement until the child is discharged from the program.

Penny Lane is required to hire qualified social workers to provide case management and act as a liaison between DCFS and foster parents. The Agency oversees a total of 130 foster homes in which 271 DCFS children were placed at the time of our review. Penny Lane is located in the First and Fifth Districts.

DCFS pays Penny Lane a negotiated monthly rate, per child placement, established by the California Department of Social Services' (CDSS) Foster Care Rates Bureau. Based on the child's age, Penny Lane receives between \$1,589 and \$1,865 per month, per child. Out of these funds, the Agency pays the foster parents between \$700 and

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\$900 per month, per child. Penny Lane was paid approximately \$5,288,000 during Fiscal Year 2007-08.

Purpose/Methodology

The purpose of the review was to determine whether Penny Lane was providing the services outlined in their Program Statement and the County contract. We reviewed certified foster parent files, children's case files, personnel files and interviewed the Agency's staff. We also visited a number of certified foster homes and interviewed several children and foster parents.

Results of Review

The foster children indicated that they enjoyed living with their foster parents and the foster parents interviewed stated they were very satisfied with the services they received from the Agency. Penny Lane also ensured that foster homes were in compliance with the County contract and Title 22 regulations, that social workers' caseloads did not exceed the required maximum, and that staff working on the County contract possessed the education and work experience required.

Penny Lane needs to ensure that foster homes are in compliance with the County contract and CDSS Title 22 regulations. For example:

- Twenty-two Needs and Services Plans (NSPs) contained goals that were not specific and time limited and 12 NSPs were not approved by the DCFS social worker.
- Seven of the 28 Quarterly Reports reviewed were not prepared timely. The seven Quarterly Reports were prepared an average of 49 days late.
- Four of the 28 dental examinations and five of the 28 medical examinations were not conducted within the required timeframes. The four dental examinations and five medical examinations were conducted an average of 54 and 35 days late, respectively.
- Eight of the 22 foster parents did not complete 15 hours of annual continuing education training as required. The eight foster parents completed an average of nine hours of training.

The details of our review along with recommendations for corrective action are attached.

Review of Report

We discussed our report with Penny Lane on January 15, 2009. In their attached response, Penny Lane's management indicates agreement with our findings and the actions the Agency has taken to implement the recommendations. We also notified DCFS of the results of our review.

We thank Penny Lane for their cooperation and assistance during this review. Please call me if you have any questions or your staff may contact Don Chadwick at (213) 253-0301.

WLW:MMO:DC:aa

Attachment

c: William T Fujioka, Chief Executive Officer
Patricia S. Ploehn, Director, Department of Children and Family Services
Ted Myers, Chief Deputy Director, Department of Children and Family Services
Susan Kerr, Senior Deputy Director, Department of Children and Family Services
Robert Crigler, Ph.D., President, Board of Directors, Penny Lane FFA
Ivelise Markovits, MFCC, Executive Director, Penny Lane FFA
Jean Chen, Community Care Licensing
Public Information Office
Audit Committee

**FOSTER FAMILY AGENCY PROGRAM
PENNY LANE FOSTER FAMILY AGENCY
FISCAL YEAR 2007-2008**

BILLED SERVICES

Objective

Determine whether Penny Lane Foster Family Agency (Penny Lane or Agency) provided program services in accordance with their County contract and California Department of Social Services (CDSS) Title 22 regulations.

Verification

As previously indicated, Penny Lane operates three offices. Our review was limited to two of the offices that oversee a total of 72 certified foster homes in which 204 DCFS children were placed. We visited 11 of the 72 certified foster homes that Penny Lane billed the Department of Children and Family Services (DCFS) in April and May 2008, and interviewed 13 of the 22 foster parents and 21 of the 36 children placed in the 11 homes. We also reviewed the case files for 22 foster parents and 28 children. In addition, we reviewed the Agency's monitoring activity.

Results

The foster children indicated that they enjoyed living with their foster parents and the foster parents interviewed stated they were very satisfied with the services they received from the Agency. Penny Lane also ensured that foster homes were in compliance with the County contract and Title 22 regulations.

Penny Lane needs to ensure that Needs and Services Plans (NSPs) and Quarterly Reports are in compliance with the County contract and CDSS Title 22 regulations. Penny Lane also needs to ensure that children's medical and dental examinations are conducted within the required timeframes and that foster parents complete the required number of annual continuing education training hours. Specifically:

Needs and Services Plans and Quarterly Reports

- Eleven (39%) of the 28 NSPs reviewed were not prepared timely. The 11 NSPs were prepared an average of 20 days late.
- DCFS social workers did not approve 12 (43%) of the 28 NSPs reviewed as required.
- Twenty-two (79%) of the 28 NSPs reviewed contained goals that were not specific and time-limited the County contract requires.

- Seven (25%) of the 28 Quarterly Reports reviewed were not prepared timely. The seven Quarterly Reports were prepared an average of 49 days late.

Children and Foster Parent Case Files

- Four (14%) of the 28 children's initial dental examinations were not conducted within the required timeframes. The four examinations were conducted an average of 54 days late. In addition, five of the 28 children's initial medical examinations were not conducted within the required timeframes. The five examinations were conducted an average of 35 days late.
- Four (14%) of the 28 children's case files reviewed did not contain documentation that the children's DCFS social workers were provided with monthly phone updates on the children's progress.
- Eight (36%) of the 22 foster parents did not complete 15 hours of annual continuing education training as required by the County contract. The eight foster parents completed an average of nine hours of training.
- Two (9%) of the 22 foster parents did not have current first aid and CPR certificates in their files. Subsequent to our review, the Agency provided documentation that the foster parents had obtained first aid and CPR certificates.

Recommendations

Penny Lane management ensure:

1. **Needs and Services Plans are prepared within the required timeframes and the children's DCFS social workers have approved them.**
2. **Needs and Services Plans contain goals that are specific and time-limited.**
3. **Quarterly Reports are prepared within the required timeframes.**
4. **Children's initial dental and medical examinations are conducted within the required timeframes.**
5. **DCFS social workers are updated monthly regarding the children's progress.**
6. **Foster parents complete the required number of annual continuing education training hours.**
7. **Foster parent certification files contain all the required information including first aid and CPR certificates.**

CLIENT VERIFICATION

Objective

Determine whether the program participants received the services that Penny Lane billed to DCFS.

Verification

We interviewed 21 children placed in 11 Penny Lane certified foster homes and 13 foster parents to confirm the services Penny Lane billed to DCFS.

Results

The foster children interviewed stated that they enjoyed living with their foster parents, and the foster parents interviewed stated that the services they received from the Agency generally met their expectations.

Recommendation

There are no recommendations for this section.

STAFFING/CASELOAD LEVELS

Objective

Determine whether Penny Lane social workers' caseloads do not exceed fifteen placements and whether the supervising social worker does not supervise more than six social workers, as required by the County contract and CDSS Title 22 regulations.

Verification

We interviewed Penny Lane's senior supervising social worker and reviewed caseload statistics and payroll records for the Agency's social workers and supervising social workers.

Results

Overall, Penny Lane's 19 social workers carried an average caseload of 11 cases and the Agency's five supervising social workers supervised an average of five social workers.

Recommendation

There are no recommendations for this section.

STAFFING QUALIFICATIONS**Objective**

Determine whether Penny Lane staff possess the education and work experience qualifications required by the County contract and CDSS Title 22 regulations. In addition, determine whether the Agency conducted hiring clearances prior to hiring their staff and provided ongoing training to staff.

Verification

We interviewed Penny Lane's administrator and reviewed each staff's personnel file for documentation to confirm their education and work experience qualifications, hiring clearances and on-going training.

Results

Penny Lane's administrator, supervising social workers and social workers possessed the education and work experience required. In addition, the Agency conducted hiring clearances and provided ongoing training for staff working on the County contract.

Recommendation

There are no recommendations for this section.



Foster / Adoption Families

January 21, 2009

Department of Auditor-Controller
Kenneth Hahn Hall of Administration
500 West Temple Street, Room 525
Los Angeles, CA 90012

Attn: Supervisor Yvonne B. Burke, Chair
Supervisor Zev Yaroslavsky
Supervisor Gloria Molina
Supervisor Don Knabe
Supervisor Michael D. Antonovich

RE: Penny Lane Centers Contract Review

The following are Penny Lane Centers' responses to the recommendations resulting from the Contract Review by Los Angeles County Department of Auditor-Controller during the month of July, 2008. The Exit interview was held on August 5, 2008.

Recommendation # 1: Needs and Service Plans (NSP) are prepared within the required timeframes and are approved by the children's DCFS social workers.

It is Penny Lane Center's policy to complete all NSPs and Quarterly Reports within required timeframes. A tracking systems to monitor due dates for Quarterly Reports/NSPs have been put into place and are monitored by the social work supervisors. The Penny Lane Social Worker will mail/fax the NSP with an approval request letter and those that are mailed will include an enclosed return envelope. Penny Lane Social Worker will make and document a minimum of three telephone calls to the DCFS social worker for follow-up on requested approvals.

Recommendation # 2: Needs and Service Plans contain goals that are specific and time-limited.

Penny Lane Centers' staff and managers are trained regarding both Title 22 and County contract requirements regarding required information to include in NSPs and Quarterly Reports. Supervisory staff read and review each NSP and Quarterly Report to ensure that specific and time-limited goals are addressed. Penny Lane Centers began using the new DCFS Quarterly NSP tool in January 2008. Through the audit we learned that more training was needed on how to properly utilize the new tool. In addition, the Quarterly and NSP Report was modified to expand the NSP section to allow for more detailed and specific goals setting.

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Founded in 1969, Penny Lane is a 501 (c) (3) non-profit organization serving abused, abandoned and neglected children with Foster Care, Adoption Services, Residential Treatment, Mental Health, Transitional Housing, and Educational Services.

Penny Lane's mission is to foster hopes and dreams by empowering children, youth and families to reach their highest potential.

Recommendation # 3: Quarterly Reports are prepared within the required timeframes

As indicated in recommendation #1 regarding NSP timeframes which are now completed together with Quarterly Reports, it is Penny Lane Center's policy to complete all NSPs and Quarterly Reports within required timeframes. A tracking system to monitor due dates for Quarterly/NSP have been put into place and are monitored by the social work supervisors.

Recommendation # 4: Children's initial dental and medical examinations are conducted within the required timeframes.

It is Penny Lane Centers' policy that all children receive medical and dental exams within 30 days of placement. Penny Lane Centers' staff and managers are trained regarding Title 22 medical and dental requirements on an on-going and as needed basis. Foster parents are trained regarding the importance of the children receiving timely exams at placement and during annual on-going training; this is also addressed routinely by their assigned social worker. A monthly report tracking initial medical and dental exams has been implemented and is closely monitored by the Quality Assurance Manager.

Through this audit Penny Lane Centers learned that there was a delay in the DCFS CSW referrals to the HUBs. To improve in this area, we modified the intake process to ensure that the referral is made by the DCFS CSW upon placement and that follow up is made as needed.

Recommendation # 5: DCFS social workers are updated monthly regarding the children's progress.

It is Penny Lane Centers' policy to contact the DCFS social worker regarding the children's progress on a monthly basis. Penny Lane Social Workers are trained regarding follow-up to CSW requirements during staff meetings. In addition, monthly follow-up calls are verified by Supervisors during quarterly audits and reviews of files.

Recommendation # 6: Foster parents complete the required number of annual continuing education training hours.

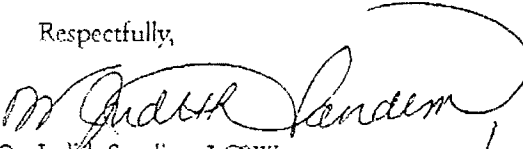
Penny Lane Centers' maintains a database in which foster parent training hours are tracked for both Title 22 and County contract compliance. Foster parents are informed about on-going training requirements during the orientation, ongoing training classes and through regular discussions with the Penny Lane Social Worker and office managers. An annual schedule for on-going training classes is mailed to all foster homes. In addition, the Office Manager mails each foster home a letter outlining Foster Parent on going training hours completed and remaining on a quarterly basis. Penny Lane Center has partnered with community organizations such as Cerritos College and M & I Consulting, to expand opportunities for foster parents to attend on-going training.

Recommendation # 7: Foster parent certification files contain all the required information including first aid and CPR certificates.


Foster parent files are audited on a quarterly basis to ensure that all required information is updated and in compliance. The Office Manager mails each foster home a letter outlining required documentation on a quarterly basis. Penny Lane Centers provides free CPR and 1st Aid training to all foster families. At the beginning of each year a monthly schedule of classes is created and provided to all families.

Thank you for your recommendations and evaluation of our foster care program. Your audit has provided us with opportunities to improve our services to children and families, as well as to remain in contract compliance and implement best practice techniques.

Respectfully,



J. Judith Sandino, LCSW
Dr. Judith Sandino, LCSW
Foster and Adoption Program Director



Monica Smith, MA
Quality Assurance Manager